

THE MISSOURI BUDGET FISCAL YEAR 2018 SUMMARY

I. OVERVIEW

Missouri's budget is suffering from reduced revenue due to poor economic growth. Revenue is being drained by special interest tax credits and the faster-than-projected growth in health care expenditures, driven in part by the national impact of Obamacare. Governor Greitens' Fiscal Year 2018 budget makes more than \$572 million in cuts across state government and reduces the state's workforce by 188 positions. The Governor is committed to making the budget cuts necessary to balance the state's budget and retain Missouri's AAA credit rating. Governor Greitens is committed to making the tough decisions necessary to bring high-paying jobs to Missouri while spending our tax dollars more wisely.

Maintaining Funding for K-12 Classrooms

The Governor supports Missouri families' priorities like K-12 education. This budget maintains funding to classrooms and improves the quality of the state's education system. State funding provides support to local school districts educating more than 885,000 Missouri students. Governor Greitens' Fiscal Year 2018 budget includes \$3.3 billion for the school foundation formula, ensuring that classroom funding is protected.

Advanced Placement Classes for High School Students

Governor Greitens believes every Missouri child has the right to a first-rate education. Over half of Missouri school districts do not offer a single Advanced Placement class in key areas such as physics or chemistry. The Missouri Virtual Instruction Program (MoVIP) offers online courses to give students access to a wide range of high-quality courses; it provides an interactive online learning

environment that can be accessed anytime, anywhere. The Governor's budget includes \$2 million to expand course access through MoVIP so that children across the state can use technology to access Advanced Placement classes.

Vulnerable Children

Governor Greitens promised to be a champion for Missouri's most vulnerable citizens. He believes that all children can achieve the American dream and live a life of meaning and purpose. The Governor's budget includes additional funding for programs that support children with special needs, including:

- \$13 million to cover the costs of providing special education services to students with disabilities through the High Need Fund, which provides instruction, tuition, assistive technology, supportive services, and transportation.
- \$12.4 million to serve additional children and reduce the caseload standard for special education teachers who provide instruction and therapy to young children with disabilities through the Early Childhood Special Education Program.
- \$10.7 million to care for children who have been abused or neglected and removed from their homes, including services for children with emotional and psychological difficulties, and expenses for children in adoptive and guardianship care placements.
- \$1.8 million to find and support adoptive homes for hard-to-place children in foster care and assist adoption resource centers in finding them permanent homes.

Supporting Missourians with Developmental Disabilities

The goal for children and individuals with a developmental disability is to enable them to live independently and productively. The Department of Mental Health serves more than 35,000 consumers with developmental disabilities. To improve their lives, Governor Greitens' budget includes additional funding totaling \$33.8 million to serve 1,472 additional individuals through case management, transitional services, and crisis residential placements.

Protecting Victims of Domestic Violence and Sexual Assault

In the midst of a recent rise in incidents of domestic violence, Governor Greitens is committed to providing services and support to victims of sexual assault and domestic violence. Although more than 35,000 victims received services in their communities last year, there were still more than 22,000 requests that were not met because of a lack of capacity or resources. The Governor recommends \$750,000 to provide additional services for victims of sexual and domestic violence, and their children. Funding will ensure prompt distribution of state assistance to individuals, programs, and shelters across the state.

Public Safety

Governor Greitens is committed to making Missouri a state where every citizen feels that they are safe and protected. The Governor will ensure that Missouri's law enforcement community has the training, resources, and support they need to protect themselves and to build strong relationships in their communities. To keep our communities safe, support victims of crime, and ensure that those who protect us have the resources they need, Governor Greitens' budget includes:

- \$250,000 to establish a Blue Alert system so the state can find and bring swift justice to anyone who assaults a law enforcement officer.
- \$1 million to equip the Missouri State Highway Patrol's Drug and Crime Control Division.

- \$1 million to decrease the backlog of cases at the state's Crime Lab.
- \$690,000 to provide TASERs and body armor to ensure troopers are protected and have the nonlethal tools they need.

Fighting the Opioid Epidemic

In 2015, drug overdoses accounted for more than 52,000 deaths nationally, including 1,066 Missourians. Opioids are the main driver of drug overdose deaths and misuse of opioids such as oxycodone, hydrocodone, codeine, and morphine has skyrocketed. Additionally, misuse of opioids is strongly linked to heroin addiction. Missouri's Department of Mental Health has received federal grant funding to work with local communities to reduce the number of overdose-related deaths; the department is applying for additional funding to expand access to prevention, treatment, and recovery services. Governor Greitens' Fiscal Year 2018 budget includes \$11 million to coordinate these efforts and combat this epidemic in Missouri.

Cyber Security

One of the state's most challenging responsibilities is to ward off threats to its information technology and data systems. Other states' systems have been infiltrated by cybercriminals attempting to steal information and disrupt state business. Governor Greitens will take the steps necessary to be a national leader in cyber security. The Governor recommends an additional \$2 million to protect against potential threats, attacks, and breaches.

Helping Missourians with Mental Health Disorders

Governor Greitens understands the challenges of those facing mental health issues through his work with wounded veterans; he knows the importance of support for those facing mental illness. Integration and coordination of behavioral health and physical health services is important, along with deploying best practices to support a path to recovery. Each year, Missouri's Department of Mental Health Division of Behavioral Health serves more than 130,000 individuals through state-operated facilities and contracts with private organizations and individuals; with a focus on

preventing, treating, and improving the public's understanding regarding mental illness and substance use disorders. To strengthen Missouri's mental health system, the Governor's Fiscal Year 2018 budget includes:

- \$115.5 million to participate in the Excellence in Mental Health Act. Missouri is one of eight states selected to participate in a federal demonstration program – the Certified Community Behavioral Health Clinic Prospective Payment System Demonstration. The project will develop a system to serve individuals with serious mental illness and substance use disorders while promoting the delivery of efficient and effective care. Funding includes \$79.5 million for community programs for adults with mental illness and \$25.5 million to treat youth with emerging mental health issues.
- \$13.8 million to assist 2,363 additional clients through the Community Psychiatric Rehabilitation and Comprehensive Substance Treatment and Rehabilitation programs.

Veterans

Missourians must never forget those who sacrificed to keep our nation safe and those who are currently in harm's way. Governor Greitens has made it his mission to make Missouri the best state in the country for veterans to live, work, build businesses, and raise their families; he has the backs of those who put their lives on the line for us. To ensure support for Missouri veterans, the Governor's Fiscal Year 2018 budget includes \$5.5 million to:

- Ensure veterans' home residents are provided the quality care they deserve and veterans with service-related disabilities have access to services.
- Build needed ancillary facilities at veterans' homes and cemeteries.

Funding for the Public Defender

Missouri needs a justice system that does justice by all of our people. As a constitutional conservative, Governor Greitens believes that every citizen has the right to a fair trial and adequate legal representation. The

Governor's Fiscal Year 2018 budget restores \$2.5 million in funding restricted by the previous administration, which will provide caseload relief for the public defender system.

Veterans' Courts and Drug Courts

Governor Greitens is an advocate for helping Missourians with mental health and substance use issues so they can be healthy, law-abiding citizens. Specialty courts seek to help low-level criminal defendants suffering from an underlying mental health, social, or substance use problem from becoming repeat offenders. The Governor's budget recommends \$2.5 million to expand drug courts and veterans' treatment courts in Missouri to help adults and veterans struggling with mental health and substance use issues.

State Employees

Governor Greitens has committed to shrinking the state workforce and retaining the state's best and brightest employees; however, this will take time to implement. Unfortunately, the current revenue situation does not allow a pay raise for the state's workforce; however, the Governor is committed to maintaining the state's benefits package for its hard-working public servants. Other states across the country are jeopardizing state employee retirement benefits by not adequately funding their pension systems. To support Missouri's public servants, the Governor recommends \$56.8 million to:

- Fully fund the contribution rate for the state's primary employee pension system; and
- Maintain the state's share of employee health care benefits, keeping costs to employees flat.

Department of Corrections

Governor Greitens is committed to reforming Missouri's correctional system. Corrections officers do hard work under difficult circumstances and Governor Greitens will stand up for them. People who are in prison should have a clear plan, from the day they enter, about what direction their lives will take the day they leave. When individuals get out of prison, we want them to go to work, to pay their

Economic Projections

	Increase by Calendar Year		
<u>U.S.</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Real GDP	1.8 %	2.6 %	2.5 %
Employment	1.7%	1.5%	1.5 %
Personal Income	4.3 %	4.2 %	4.7 %
Consumer Expenditures	2.7 %	3.1 %	3.1 %
Consumer Prices	1.3 %	2.7 %	2.5 %
<u>MISSOURI</u>			
Employment	1.1 %	1.4 %	1.2%
Personal Income	3.4 %	4.8 %	5.2 %

fair share in taxes, to take care of their children, and to set a good example. To accomplish this and protect all of our citizens, our correctional system needs to ensure offenders are ready to become productive members of our communities once they are released. The Governor's Fiscal Year 2018 budget includes:

- \$2 million to reduce recidivism rates by assisting offenders in partnering with agencies and community groups so they transition successfully from custody to productive citizens.
- \$300,000 to protect Department of Corrections' employees with updated body armor for staff who intervene in high-risk situations.

II. REVIEW OF FISCAL YEAR 2016 REVENUE

Net general revenue collections increased in Fiscal Year 2016 by 0.9 percent over the previous year. This fell well short of the revised growth estimate for Fiscal Year 2016 of 2.8 percent.

With the U.S. economy continuing to expand, moderate revenue growth is expected over the next eighteen months. Revenues are estimated to grow by 3.0 percent in Fiscal Year 2017 and increase moderately to 3.8 percent growth in Fiscal Year 2018.

III. THE ECONOMIC OUTLOOK

U.S. Economic Position

The national economy continued to grow in Calendar Year 2016, gathering momentum throughout the year. The unemployment rate declined and employment growth has continued. Housing starts and sales continued to grow at a slightly quicker pace than last year. Inflation remained low, tempered by low oil and energy prices and a strong U.S. dollar.

Congress passed a short term continuing resolution for 2017 funding the federal government until mid-spring. The presidential election has had a positive impact on consumer and business confidence. It is still unknown what campaign proposals will pass through the legislative process, both tax reform and a stimulus package are being considered. This has boosted consumer and business confidence and raised inflation expectations.

The economy grew modestly in 2016. Through November, average employment increased 1.0 percent. The unemployment rate decreased to 4.6 percent in November. Personal income continued to improve at a moderate pace. Consumer confidence and spending remained strong through November despite a bumpy year. Corporate profits had a rough start to the year, but appear on track to make a nice

rebound through the second half of 2016. The first and second quarters of 2016 were very volatile in the stock markets; however, the stock market recovered quickly in the third quarter and ended the year in record high territory. The median selling price for new homes was slightly below the peak price in 2015, and the inventory of homes ended the year at a five-month supply.

The economy continues to grow at a moderate pace. The outlook over the next two years shows a slight acceleration into 2017 and then steady growth through 2018. As the economy approaches full employment, wage growth will likely continue to accelerate, which should keep consumer confidence high. Further, reduced oil and energy prices would leave more disposable income in consumers' pockets, and hold costs down for businesses.

The Federal Reserve raised interest rates for the second time in nearly ten years. However, the rate remains very low and is expected to be increased slowly over the next two years. The initial stock market reaction to the rate hike appears positive. The Federal Reserve still needs to move cautiously as they continue to unwind a balance sheet that is inflated after the historic quantitative easing program.

In addition, there are other risks to this outlook. Geopolitical conflicts in the Persian Gulf, such as the military intervention against ISIS, could have a powerful impact on oil prices. The conflict between Ukraine and Russia is also a risk for increasing energy prices, especially for the European Union (EU). Also, the slowdown in the Chinese economy is having a rippling effect across emerging and commodity markets. A softer global economy combined with a stronger dollar, could further weaken demand for U.S. exports. However, economic growth could exceed expectations if business investment accelerates, hiring accelerates at a faster than expected pace, and wage growth improves at a more than modest pace.

Missouri Economic Position

The improvement in Missouri's economy continued through 2016. According to payroll data in December, employment has increased. Through the first eleven months, employment improved 1.9 percent compared to 2015. Unemployment claims remain below pre-recession levels. Both personal income and

consumer spending grew at a moderate pace. Despite these encouraging trends Missouri's unemployment rate increased to 4.7 percent in November. However, this increase appears to be driven by people entering the labor force, a positive for the economy.

Like the national economy, Missouri's economy is expected to accelerate in 2017 and then maintain moderate growth in 2018. Job growth will continue to accelerate over the next eighteen months boosting wages. Unlike the national economy, the manufacturing industry in Missouri has remained steady over the past year. The risks to growth are similar to those of the nation as a whole.

IV. REVENUE PROJECTIONS FOR FISCAL YEARS 2017 AND 2018

Revenue forecasting is challenging under the best of circumstances and is even more difficult when the previous year includes abnormally low growth following a period of abnormally high growth.

With economic growth accelerating, continued revenue growth is expected for Fiscal Year 2017. The revised revenue estimate assumes growth of 3.0 percent, which reflects solid growth in income and sales taxes. This growth will be offset by a considerable decline in corporate taxes, largely the result of a new income allocation method, poor corporate profits in the first half of 2016, and other state and federal tax policy changes. Tax credit redemptions will continue to equal a large portion of net revenue, though likely will not be as high as the record level reached in Fiscal Year 2012. The revised estimate of 3.0% reflects a downward adjustment from the number on which the Fiscal Year 2017 budget is based.

Continued employment increases, stronger wage growth, and spending growth will help boost general revenue collections in Fiscal Year 2018. Governor Greitens' Fiscal Year 2018 Budget is based on a forecast of revenue growth of 3.8 percent in Fiscal Year 2018.

V. REVENUE LIMITATION AMENDMENT

Article X of the Missouri Constitution establishes a revenue and spending limit on state government. The limit is 5.6 percent of Missouri personal income, based on the relationship between personal income and total

state revenues when the limit was established and approved by voters in November 1980. Calculations made pursuant to Article X of the Missouri Constitution show that total state revenues for Fiscal Year 2015 were below the total state revenue limit by over \$3.8 billion.

The Office of Administration projects that total state revenues will not exceed the total state revenue limit in Fiscal Years 2017 or 2018. These preliminary calculations are subject to change as actual state revenue collections become known and as the federal government revises its estimates of Missouri personal income. These projections could change if legislation is approved to increase taxes without a vote of the people. Pursuant to Article X of the Missouri Constitution, revenue approved by the voters is not subject to the revenue and spending limit.

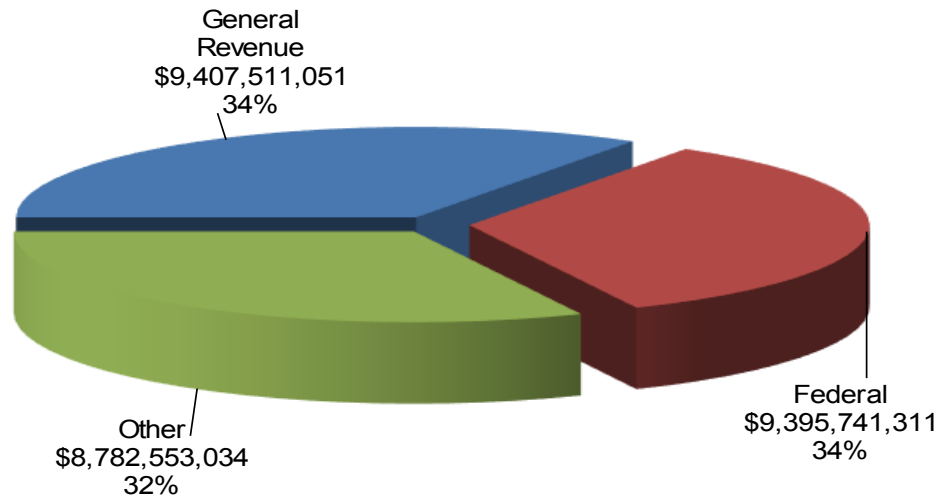
In addition, Article X, Section 18(e) of the Missouri Constitution states the General Assembly shall not increase taxes or fees in any fiscal year, without voter approval, that in total produce net new annual revenues greater than \$50 million, adjusted annually by the percentage change in the personal income of Missouri for the second previous year, or one percent of total state revenues for the second fiscal year prior to the General Assembly's action, whichever is less.

"Net new annual revenues" is defined as the net increase in annual revenues produced by the total of all tax or fee increases by the General Assembly in a fiscal year, less refunds and less all contemporaneously occurring tax or fee reductions in that same fiscal year. For Fiscal Year 2016, these calculations were \$117.5 million for the personal income amount and \$94.3 million for the one percent of total state revenues amount. For Fiscal Year 2017, the calculations are \$120.3 million for the personal income amount and \$101.5 million for the one percent of total state revenues amount.

FY 2018 TOTAL OPERATING BUDGET

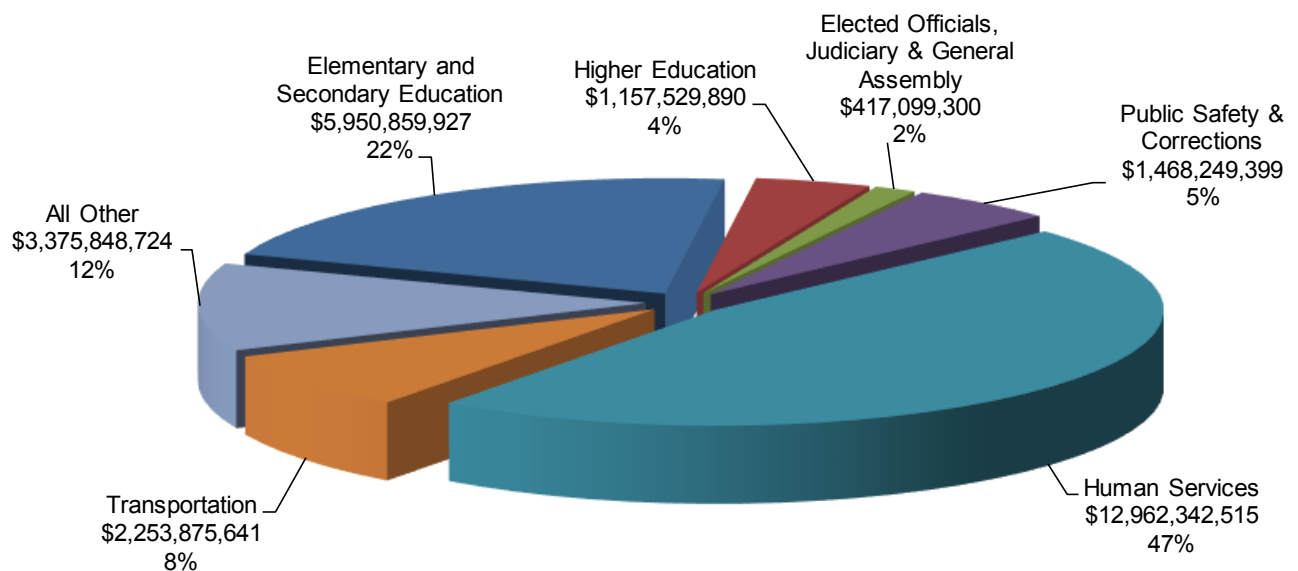
SOURCES OF FUNDS

Total Funds* \$27,585,805,396



FY 2018 GOVERNOR'S RECOMMENDED OPERATING BUDGET—ALL FUNDS

Total Appropriations* \$27,585,805,396



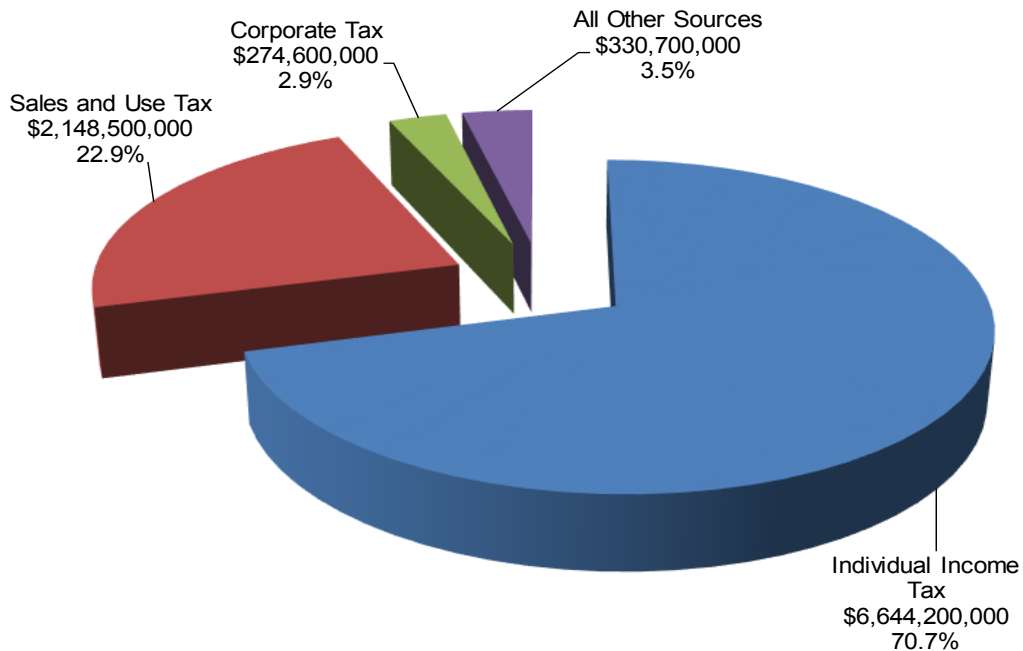
*Excludes refunds

GENERAL REVENUE RECEIPTS AND ESTIMATES

	Actual Receipts FY 2016	Revenue Estimate FY 2017	Revenue Estimate FY 2018
Collections			
Individual Income Tax	\$ 7,158,240,866	\$ 7,523,600,000	\$ 7,849,200,000
Sales and Use Tax	2,102,633,661	2,146,800,000	2,187,900,000
Corporate Income/Franchise Tax	468,289,023	371,000,000	377,500,000
County Foreign Insurance Tax	247,270,230	259,900,000	270,500,000
Liquor Tax	24,760,965	25,100,000	25,500,000
Beer Tax	7,798,378	7,900,000	8,000,000
Interest on Deposits and Investments	4,688,248	5,300,000	5,900,000
Federal Reimbursements	15,896,834	9,300,000	6,400,000
All Other Sources	162,157,320	180,000,000	166,200,000
Total General Revenue Collections	10,191,735,525	10,528,900,000	10,897,100,000
Refunds	(1,404,962,430)	(1,475,500,000)	(1,499,100,000)
Net General Revenue Collections	\$ 8,786,773,095	\$ 9,053,400,000	\$ 9,398,000,000
Net Growth Rate		0	0

FY 2018 REVENUE ESTIMATE

Net General Revenue \$9,398,000,000



GENERAL REVENUE SUMMARY

RESOURCES

	FY 2016	FY 2017	FY 2018
Beginning Balance	\$ 12,620,958	\$ 21,060,407	\$ 64,079,186
Previous Year's Lapse ¹	264,972,144	132,169,848	118,500,000
Revenue Collections	10,191,735,525	10,528,900,000	10,897,100,000
Refunds	(1,404,962,430)	(1,475,500,000)	(1,499,100,000)
Collection Additions	0	33,900,000	8,000,000
Transfers to Fund	117,314,746	151,100,000	79,600,000
Total Resources Available	\$ 9,181,680,943	\$ 9,391,630,255	\$ 9,668,179,186

OBLIGATIONS

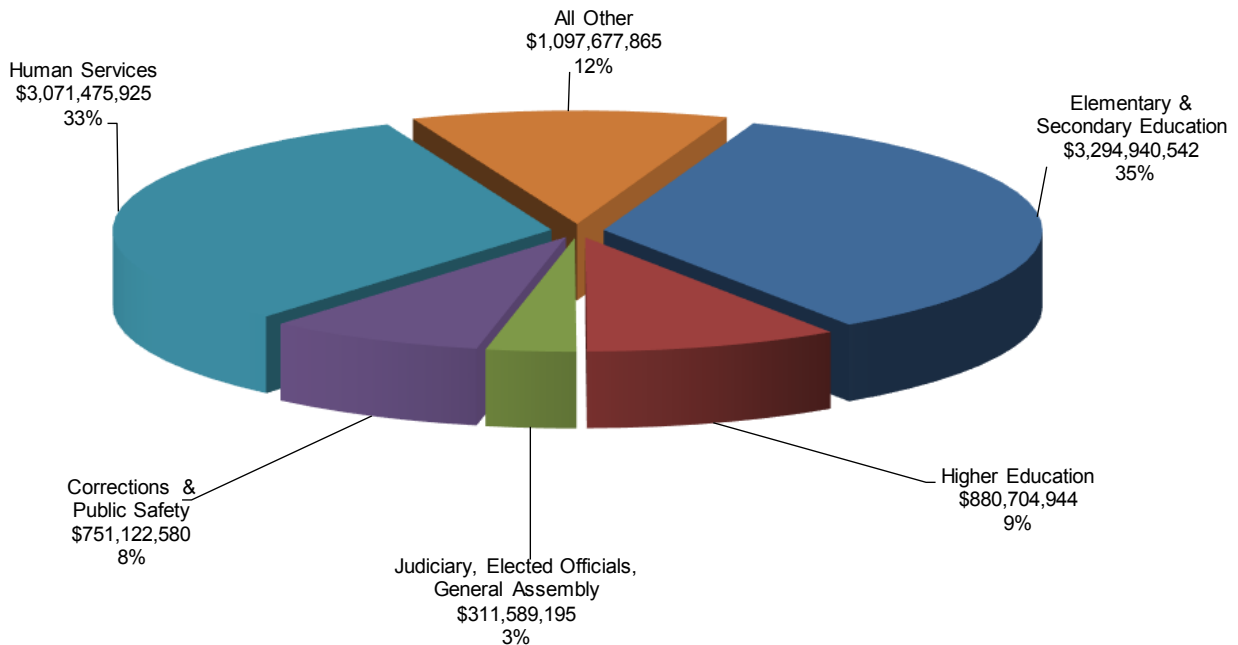
Operating Appropriations	\$ 8,854,825,360	\$ 9,526,396,598	\$ 9,407,511,051
Capital Appropriations	93,825,000	120,500,000	82,400,000
Capital Reappropriations	10,583,099	40,500,000	33,500,000
Supplemental	278,249,326	45,119,663	100,000,000
Increased estimates	40,174,303	19,200,000	44,500,000
Confirmed Lapse	0	(4,800,000)	(4,900,000)
Expenditure Restrictions	(117,036,552)	(419,365,192)	0
Total Obligations	\$ 9,160,620,536	\$ 9,327,551,069	\$ 9,663,011,051
Ending Balance	\$ 21,060,407	\$ 64,079,186	\$ 5,168,135

NOTES TO GENERAL REVENUE SUMMARY

(1) Unexpended appropriations are counted as a resource in the next fiscal year to avoid premature commitment of uncertain resources until actual lapses are known. This includes reserves authorized by Section 33.290, RSMo.

FY 2018 GOVERNOR'S RECOMMENDED OPERATING BUDGET—GENERAL REVENUE

Total Appropriations* \$9,407,511,051



*Excludes refunds

FY 2018 BUDGET SUMMARY

House Bill	FY 2016 Expenditures	FY 2017 Appropriations	Governor's Recommendation FY 2018
1 <u>Public Debt</u>			
General Revenue	\$ 58,754,866	\$ 53,208,208	\$ 40,564,997
Federal Funds	0	0	0
Other Funds	2,748,834	2,539,051	1,742,287
Total	\$ 61,503,700	\$ 55,747,259	\$ 42,307,284
2 <u>Elementary and Secondary Education</u>			
General Revenue	\$ 3,236,263,033	\$ 3,318,174,889	\$ 3,294,940,542
Federal Funds	977,782,443	1,073,686,848	1,107,337,497
Other Funds	1,461,215,326	1,522,743,869	1,548,581,888
Total	\$ 5,675,260,802	\$ 5,914,605,606	\$ 5,950,859,927
3 <u>Higher Education</u>			
General Revenue	\$ 905,506,239	\$ 996,919,324	\$ 880,704,944
Federal Funds	1,181,463	2,248,806	2,248,806
Other Funds	228,040,175	317,586,140	274,576,140
Total	\$ 1,134,727,877	\$ 1,316,754,270	\$ 1,157,529,890
4 <u>Revenue</u>			
General Revenue	\$ 78,617,751	\$ 91,563,159	\$ 88,882,007
Federal Funds	2,532,835	4,111,573	4,111,573
Other Funds	434,464,751	418,439,852	417,797,411
Total	\$ 515,615,337	\$ 514,114,584	\$ 510,790,991
4 <u>Transportation</u>			
General Revenue	\$ 17,940,192	\$ 37,644,129	\$ 11,794,129
Federal Funds	84,634,602	119,922,462	144,605,962
Other Funds	1,785,040,107	2,034,199,983	2,097,475,550
Total	\$ 1,887,614,901	\$ 2,191,766,574	\$ 2,253,875,641
5 <u>Office of Administration</u>			
General Revenue	\$ 209,224,316	\$ 186,605,191	\$ 194,083,777
Federal Funds	57,743,656	85,449,056	81,099,056
Other Funds	33,184,892	50,303,820	49,923,729
Total	\$ 300,152,864	\$ 322,358,067	\$ 325,106,562
5 <u>Employee Benefits</u>			
General Revenue	\$ 544,601,712	\$ 561,729,850	\$ 593,926,712
Federal Funds	186,916,050	204,347,447	216,798,270
Other Funds	163,720,651	181,118,440	191,727,160
Total	\$ 895,238,413	\$ 947,195,737	\$ 1,002,452,142

FY 2018 BUDGET SUMMARY

House Bill	FY 2016 Expenditures	FY 2017 Appropriations	Governor's Recommendation FY 2018
6 <u>Agriculture</u>			
General Revenue	\$ 10,620,105	\$ 22,059,329	\$ 6,752,189
Federal Funds	2,315,849	7,667,530	7,981,633
Other Funds	19,726,150	23,489,401	25,701,904
Total	\$ 32,662,104	\$ 53,216,260	\$ 40,435,726
6 <u>Natural Resources</u>			
General Revenue	\$ 10,619,900	\$ 12,366,059	\$ 10,896,689
Federal Funds	29,120,995	50,563,921	48,023,808
Other Funds	333,172,443	519,027,722	520,610,529
Total	\$ 372,913,338	\$ 581,957,702	\$ 579,531,026
6 <u>Conservation</u>			
General Revenue	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	144,295,384	154,699,871	154,699,871
Total	\$ 144,295,384	\$ 154,699,871	\$ 154,699,871
7 <u>Economic Development</u>			
General Revenue	\$ 76,991,368	\$ 100,283,375	\$ 76,298,793
Federal Funds	111,969,686	203,743,387	203,680,747
Other Funds	38,495,027	69,033,830	69,048,340
Total	\$ 227,456,081	\$ 373,060,592	\$ 349,027,880
7 <u>Insurance, Financial Institutions and Professional Registration</u>			
General Revenue	\$ 0	\$ 0	\$ 0
Federal Funds	1,322,673	1,792,607	1,250,000
Other Funds	33,751,943	40,067,934	42,628,377
Total	\$ 35,074,616	\$ 41,860,541	\$ 43,878,377
7 <u>Labor and Industrial Relations</u>			
General Revenue	\$ 1,839,266	\$ 2,384,477	\$ 2,384,477
Federal Funds	35,330,931	57,061,523	57,648,054
Other Funds	120,094,439	157,080,463	162,598,148
Total	\$ 157,264,636	\$ 216,526,463	\$ 222,630,679
8 <u>Public Safety</u>			
General Revenue	\$ 58,565,703	\$ 81,093,052	\$ 73,553,336
Federal Funds	150,571,880	248,004,471	249,284,633
Other Funds	368,466,257	418,921,626	419,950,696
Total	\$ 577,603,840	\$ 748,019,149	\$ 742,788,665

FY 2018 BUDGET SUMMARY

House Bill		FY 2016 <u>Expenditures</u>	FY 2017 <u>Appropriations</u>	Governor's Recommendation <u>FY 2018</u>
9	<u>Corrections</u>			
	General Revenue	\$ 645,154,544	\$ 678,093,702	\$ 677,569,244
	Federal Funds	1,988,106	5,167,846	5,042,846
	Other Funds	30,193,061	42,903,644	42,848,644
	Total	\$ 677,335,711	\$ 726,165,192	\$ 725,460,734
10	<u>Mental Health</u>			
	General Revenue	\$ 714,510,133	\$ 816,386,000	\$ 797,147,763
	Federal Funds	861,957,846	1,119,157,213	1,230,522,010
	Other Funds	54,284,618	56,608,544	49,388,496
	Total	\$ 1,630,752,597	\$ 1,992,151,757	\$ 2,077,058,269
10	<u>Health and Senior Services</u>			
	General Revenue	\$ 329,305,790	\$ 375,836,997	\$ 347,320,097
	Federal Funds	891,451,689	944,650,565	919,000,000
	Other Funds	21,120,936	20,964,344	20,932,524
	Total	\$ 1,241,878,415	\$ 1,341,451,906	\$ 1,287,252,621
11	<u>Social Services</u>			
	General Revenue	\$ 1,737,243,665	\$ 1,788,517,619	\$ 1,927,008,065
	Federal Funds	4,232,475,128	4,895,594,396	5,062,549,220
	Other Funds	2,423,165,559	2,540,798,187	2,608,474,340
	Total	\$ 8,392,884,352	\$ 9,224,910,202	\$ 9,598,031,625
12	<u>Elected Officials</u>			
	General Revenue	\$ 50,605,061	\$ 65,439,390	\$ 45,047,589
	Federal Funds	10,734,719	21,773,365	20,998,365
	Other Funds	54,747,981	51,023,349	51,719,849
	Total	\$ 116,087,761	\$ 138,236,104	\$ 117,765,803
12	<u>Judiciary</u>			
	General Revenue	\$ 182,550,645	\$ 188,055,057	\$ 190,450,713
	Federal Funds	5,704,046	14,372,517	14,372,517
	Other Funds	12,309,557	14,937,692	14,937,692
	Total	\$ 200,564,248	\$ 217,365,266	\$ 219,760,922
12	<u>Public Defender</u>			
	General Revenue	\$ 36,422,010	\$ 41,497,581	\$ 40,497,581
	Federal Funds	0	125,000	125,000
	Other Funds	1,282,644	2,985,943	2,985,943
	Total	\$ 37,704,654	\$ 44,608,524	\$ 43,608,524
12	<u>General Assembly</u>			
	General Revenue	\$ 32,227,642	\$ 36,633,312	\$ 35,593,312
	Federal Funds	0	0	0
	Other Funds	108,973	295,739	370,739
	Total	\$ 32,336,615	\$ 36,929,051	\$ 35,964,051

FY 2018 BUDGET SUMMARY

House Bill	FY 2016 Expenditures	FY 2017 Appropriations	Governor's Recommendation FY 2018
13 <u>Real Estate</u>			
General Revenue	\$ 67,826,736	\$ 71,905,898	\$ 72,094,095
Federal Funds	16,309,795	18,889,709	19,061,314
Other Funds	13,106,640	13,631,349	13,832,777
Total	\$ 97,243,171	\$ 104,426,956	\$ 104,988,186
14 <u>Operating Supplemental</u>			
General Revenue	\$	\$ 45,119,663	\$
Federal Funds		129,162,678	
Other Funds		71,061,506	
Total	\$	\$ 245,343,847	\$
<u>Total Operating Budget</u>			
General Revenue	\$ 9,005,390,677	\$ 9,571,516,261	\$ 9,407,511,051
Federal Funds	7,662,044,392	9,207,492,920	9,395,741,311
Other Funds	7,776,736,348	8,724,462,299	8,782,553,034
Total	\$ 24,444,171,417	\$ 27,503,471,480	\$ 27,585,805,396
<u>Capital Improvements - One-Time Projects*</u>			
General Revenue	\$ 12,544,214	\$ 120,500,000	\$ 82,400,000
Federal Funds	14,582,638	21,000,000	21,400,000
Other Funds	156,539,653	49,720,132	84,716,857
Total	\$ 183,666,504	\$ 191,220,132	\$ 188,516,857
<u>Grand Total</u>			
General Revenue	\$ 9,017,934,891	\$ 9,692,016,261	\$ 9,489,911,051
Federal Funds	7,676,627,030	9,228,492,920	9,417,141,311
Other Funds	7,933,276,001	8,774,182,431	8,867,269,891
Total	\$ 24,627,837,921	\$ 27,694,691,612	\$ 27,774,322,253

* Reappropriations are recognized in the budget in the first year they are appropriated. Expenditures from reappropriations are recognized in the year in which the expenditure occurred.

FY 2018 FTE SUMMARY

House <u>Bill</u>	FY 2016 <u>Budget</u>	FY 2017 <u>Budget</u>	Governor's Recommendation <u>FY 2018</u>
1 <u>Public Debt</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	0.00	0.00	0.00
Other Funds	0.00	0.00	0.00
Total	0.00	0.00	0.00
2 <u>Elementary and Secondary Education</u>			
General Revenue	819.50	821.50	811.25
Federal Funds	857.26	854.26	853.51
Other Funds	17.00	18.00	18.75
Total	1,693.76	1,693.76	1,683.51
3 <u>Higher Education</u>			
General Revenue	14.03	14.03	14.03
Federal Funds	1.50	1.00	1.00
Other Funds	64.67	64.67	64.67
Total	80.20	79.70	79.70
4 <u>Revenue</u>			
General Revenue	890.52	901.52	909.52
Federal Funds	6.74	6.74	4.74
Other Funds	420.79	420.79	420.79
Total	1,318.05	1,329.05	1,335.05
4 <u>Transportation</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	15.41	15.41	15.29
Other Funds	5,640.46	5,640.46	5,540.58
Total	5,655.87	5,655.87	5,555.87
5 <u>Office of Administration</u>			
General Revenue	655.35	654.35	656.35
Federal Funds	321.29	321.29	321.29
Other Funds	912.83	915.83	910.83
Total	1,889.47	1,891.47	1,888.47
6 <u>Agriculture</u>			
General Revenue	89.14	89.14	88.14
Federal Funds	36.21	43.21	47.21
Other Funds	312.66	314.66	320.66
Total	438.01	447.01	456.01
6 <u>Natural Resources</u>			
General Revenue	133.45	133.45	133.45
Federal Funds	379.36	379.36	341.57
Other Funds	1,187.31	1,189.31	1,218.10
Total	1,700.12	1,702.12	1,693.12

FY 2018 FTE SUMMARY

House Bill	FY 2016 Budget	FY 2017 Budget	Governor's Recommendation FY 2018
6 <u>Conservation</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	0.00	0.00	0.00
Other Funds	1,812.81	1,812.81	1,812.81
Total	1,812.81	1,812.81	1,812.81
7 <u>Economic Development</u>			
General Revenue	69.89	69.89	67.15
Federal Funds	523.81	523.81	502.28
Other Funds	299.55	301.55	296.05
Total	893.25	895.25	865.48
<u>Insurance, Financial Institutions and</u>			
7 <u>Professional Registration</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	21.00	21.00	0.00
Other Funds	571.33	576.33	582.33
Total	592.33	597.33	582.33
7 <u>Labor and Industrial Relations</u>			
General Revenue	25.81	27.81	27.81
Federal Funds	602.31	602.31	614.99
Other Funds	192.84	192.84	185.16
Total	820.96	822.96	827.96
8 <u>Public Safety</u>			
General Revenue	475.82	467.82	482.82
Federal Funds	435.83	434.83	437.83
Other Funds	4,113.05	4,145.05	4,151.05
Total	5,024.70	5,047.70	5,071.70
9 <u>Corrections</u>			
General Revenue	10,947.45	10,961.85	10,961.85
Federal Funds	43.00	43.00	43.00
Other Funds	253.40	239.00	239.00
Total	11,243.85	11,243.85	11,243.85
10 <u>Mental Health</u>			
General Revenue	4,815.19	4,833.83	4,886.42
Federal Funds	2,353.15	2,337.15	2,318.65
Other Funds	87.57	65.50	54.50
Total	7,255.91	7,236.48	7,259.57
10 <u>Health and Senior Services</u>			
General Revenue	655.69	654.57	654.57
Federal Funds	975.83	976.95	969.95
Other Funds	126.52	128.52	128.52
Total	1,758.04	1,760.04	1,753.04

FY 2018 FTE SUMMARY

House <u>Bill</u>	FY 2016 <u>Budget</u>	FY 2017 <u>Budget</u>	Governor's Recommendation <u>FY 2018</u>
11 <u>Social Services</u>			
General Revenue	1,761.14	1,879.17	1,867.61
Federal Funds	4,699.01	4,623.01	4,569.57
Other Funds	474.46	359.93	360.93
Total	6,934.61	6,862.11	6,798.11
12 <u>Elected Officials</u>			
General Revenue	635.33	635.33	622.33
Federal Funds	93.51	93.51	93.51
Other Funds	246.68	246.68	244.68
Total	975.52	975.52	960.52
12 <u>Judiciary</u>			
General Revenue	3,260.30	3,211.30	3,274.30
Federal Funds	103.25	168.25	105.25
Other Funds	58.50	58.50	58.50
Total	3,422.05	3,438.05	3,438.05
12 <u>Public Defender</u>			
General Revenue	585.13	595.13	595.13
Federal Funds	0.00	0.00	0.00
Other Funds	2.00	2.00	2.00
Total	587.13	597.13	597.13
12 <u>General Assembly</u>			
General Revenue	687.92	687.92	685.92
Federal Funds	0.00	0.00	0.00
Other Funds	1.25	1.25	1.25
Total	689.17	689.17	687.17
<u>Total Budget</u>			
General Revenue	26,521.66	26,638.61	26,738.65
Federal Funds	11,468.47	11,445.09	11,239.64
Other Funds	16,795.68	16,693.68	16,611.16
Total	54,785.81	54,777.38	54,589.45

SUPPLEMENTAL RECOMMENDATIONS FISCAL YEAR 2017

	<u>GENERAL REVENUE</u>	<u>FEDERAL FUNDS</u>	<u>OTHER FUNDS</u>	<u>TOTAL</u>
Department of Elementary and Secondary Education	\$ 14,209,311	\$ 9,800,765	\$ 4,400,000	\$ 28,410,076
Department of Higher Education	1,014,700	0	0	1,014,700
Department of Revenue	217,562	0	4,810,546	5,028,108
Department of Transportation	0	8,700,000	10,700,000	19,400,000
Office of Administration	0	0	12,244	12,244
Department of Agriculture	0	0	175,465	175,465
Department of Labor and Industrial Relations	0	0	15,613	15,613
Department of Public Safety	0	120,000	0	120,000
Department of Corrections	953,446	0	0	953,446
Department of Mental Health	5,060,859	0	0	5,060,859
Department of Health and Senior Services	15,033,089	23,547,664	0	38,580,753
Department of Social Services	8,630,696	86,994,249	50,497,638	146,122,583
General Assembly	0	0	450,000	450,000
TOTAL	\$ 45,119,663	\$ 129,162,678	\$ 71,061,506	\$ 245,343,847